

CALIFORNIA BOARD OF ACCOUNTANCY

October 1998–January 1999 ★ Issue No. 40



Diane M. Rubin, CPA
1998 President

President's Message

This has been an extremely busy year for the members of this Board, the committee members, and the staff of the California Board of Accountancy. It also has been a very productive time, filled with change and innovation, beginnings and endings, studies undertaken, continuity provided for, and planning continued. As I complete my term as President of the Board of Accountancy, I would like to update you on some of the important work being done here at the Board on behalf of both consumers and practitioners.

As Benjamin Franklin once remarked, "Well done is better than well said." In other words, doing the work well is perhaps more important than talking about it. However, it is

this Board's obligation and responsibility to communicate with clarity and frequency to its licensees. This is one of the ways in which we fulfill our mission of consumer protection. Giving you important information is part of our quest to do our job well. In the past two years, we have worked hard to constantly improve our quarterly publication, **UPDATE**, to convey to practitioners changes in statutes and regulations, the implementation of new requirements, keep you posted about emerging issues and trends, let you know how you can participate in the regulatory process by becoming a member of a committee, and notify you of disciplinary actions. We have an ongoing commitment to make this publication as useful as possible to you.

Another key area of progress has been the initiation of our Web site at www.dca.ca.gov/cba. One of its most useful elements is a posting of the

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entire Accountancy Act. Our Web site also provides a current list of Board-approved Professional Conduct and Ethics courses, a meeting calendar and, especially for consumers, tips on how to select a CPA or a PA and a section on "How to File a Complaint." In the coming year, we plan to provide interactive forms for licensees to complete and send via computer and to allow consumers to perform a license status check on licensees. The Web site has been very popular since its rollout in March this year. Through November, our site has received 69,951 visitors.

Other important work is also being done. As many of you know, this Board is mandated by legislation to prepare a second Sunset Review report incorporating studies of the CPA Examination, education, experience, continuing education requirements, and other specified information. This report is due to the Legislature in October 1999. Like its 1996 predecessor, the information in our Sunset Review report will be an important factor in the Legislature's determination of how our profession will be regulated in the future and by what entity. Board members, the Board's Sunset Review Committee, and staff have anticipated what will be required for this report, including the examination of general, enforcement, continuing competency, and licensing issues.

Two integral parts of this report are a Continuing Education Study and an Education and Experience Study. The purpose of both studies is to determine if these requirements bring value and benefit to consumer protection. The outcome of the studies will result in major findings and proposed recommendations for the manner in which these elements will affect pre- and post-licensure of public accountants.

This past year we initiated the Board's fingerprint program (which requires all applicants for the CPA license to submit fingerprint cards with their license applications). As of November 1, 1998, we had processed approximately 2,000 fingerprint cards. This program, authorized by the Business and Professions Code, permits the Board to receive criminal history information from the Department of Justice and the FBI regarding convictions, including those substantially related to the practice of public accounting.

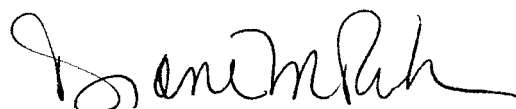
We also updated our Strategic Plan, which was approved by the Governor's Office. It is this blueprint which has helped us achieve continuity

of purpose and the most efficient use of resources as we prepare for the future. And speaking of the future, I am happy to report that the Board's computer systems have successfully completed three phases of testing for Year 2000 Compliance and have passed with flying colors. We also have a procedure in place should problems occur in interfacing with any of the Department of Consumer Affairs' computer systems.

In addition, we have worked to reduce the Accountancy Fund reserves to a three-month level of expenditures. Based on Board decision, revised regulations were developed to implement a \$50 fee level for initial licenses and renewals for a two-year period beginning July 1 of this year. We continue to experience success in lowering the reserve, and we will persevere with the intent to bring the reserve to an appropriate level. We also promulgated regulations to permit non-CPA ownership of firms, require accounting and auditing continuing education and, based on legislation signed by the Governor allowing licensees to accept commission-based compensation, to specify the limits and requirements by which commissions may be accepted.

Although I am concluding my term as President, I will continue to serve as a member of this Board. I also will serve as a Regional Director on the Board of Directors of the National Association of the State Boards of Accountancy, because I believe it is important that California's perspective be represented to this national organization.

In closing, I would like to thank my fellow Board members and all of the committee members for all their contributions. I especially commend the staff of the Board office in Sacramento for all their good work and diligence. This group of individuals has been incredibly hard working and productive. The staff has exhibited remarkable thoroughness and insight regarding emerging issues, demonstrated foresight in its comprehensive planning efforts, and performed with a standard of excellence that is unparalleled. It has been a wonderful year, and it has been a pleasure and an honor to serve as President.



Diane M. Rubin, CPA
1998 President

News to You

Issues of Interest
to the Consumer
and
to the Practitioner

Board Adopts Regulations to Comply with "PRWORA"

In compliance with Governor Wilson's Executive Order W-135-96, the Board adopted emergency regulations at its November 20, 1998, meeting to implement the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). These regulations require each applicant for licensure to certify that he or she is either a U.S. citizen or an alien who is qualified to receive public benefits under PRWORA. Emergency regulations expire after 120 days unless the state agency completes the steps necessary to make the regulations permanent. The Board has begun the process of making these emergency regulations permanent by publishing the notice of a public hearing. See page 12 of this publication for the notice and the text of the regulations.

Election Results

NEW OFFICERS

H. E. Mikkelsen, CPA

President

Baxter Rice

Vice President

Michael S. Schneider, CPA

Secretary-Treasurer

Revised Regulations Now in Effect

New regulations regarding Notification of Change of Address, Experience Required Under Section 5083 of the Accountancy Act, Disclosure of Confidential Information Prohibited, and Recipients of Confidential Information are now in effect. The Board published a notice of these changes to Sections 3, 11.5, 54.1, and 54.2 of the regulations in **UPDATE**, Issue No. 37 (January-March 1998). These regulation changes have been approved by the Office of Administrative Law. For the text of the new regulations, please refer to pages 12-15 of **UPDATE**, Issue No. 37.

Board to Provide Funding to Assist CVAS

The Board also voted at its November 20, 1998, meeting to provide funding to assist the Clearinghouse for Volunteer Accounting Services (CVAS) in its work coordinating *pro bono* accounting services. The Board was authorized to provide this funding by Assembly Bill 508, which was signed into law by Governor Wilson on September 19, 1998. CVAS is a nonprofit organization which matches volunteer CPAs with small nonprofit and public

benefit organizations that need accounting assistance. Additional information about CVAS is available by telephoning (805) 295-8912.

Sunset Review Discussions Begin

The Board has begun the process of discussing key issues for sunset review. At its November 20, 1998, meeting, the Board approved a discussion schedule for 1999: General Sunset Review issues are scheduled for discussion on January 25 in Claremont, California. Enforcement and continuing competency issues are scheduled for discussion on March 20 in Los Angeles, and licensing issues are scheduled for discussion on April 21 and May 13 in San Francisco. Please contact Ms. Aronna Granick of the Board's staff at (916) 263-3788 for additional information.

November CPA Examination

The Uniform CPA Examination was held on November 4 and 5, 1998, in Pleasanton, Pomona, San Diego, and Sacramento. While 8,840 candidates signed up for the exam, after a typical 20% "no show" rate, 7,072 candidates actually sat for the Examination.

To Be or Not To Be...

Included for Mailing List Purposes

This Board maintains a list of all licensees, and the list is sold to requestors for mailing list purposes. Requestors include certain vendors with products targeted for CPAs and PAs and businesses that provide continuing education courses. Other individuals and businesses also purchase this mailing list.

Each licensee has the ability to have his or her name excluded from the list of names available for purchase. If you would like your name no longer to be included or available for mailing list purchases, you may use the Address Change Form on the inside back cover of this publication.

Please fill out the form, sign and date it, and check the box on the lower right corner (the box which states, "Check here only if you do not want your name included on this list.")

We will know that you are not actually filing a change of address because the address you write on the form will match your address printed on the back of this publication. It will be understood that you are simply requesting that your name not be included for mailing list purchases.

As the form indicates at the bottom, you may facsimile it to the Board's office at (916) 263-3675, or mail it to Board of Accountancy, 2000 Evergreen Street, Suite 250, Sacramento, CA 95815-3832. ★

Elimination of 30-Day Grace Period

Effective January 1, 1999, because of new legislation, the 30-day delinquency fee grace period is eliminated for all licenses renewing after January 1, 1999. This change affects all licensees, including partnership and corporation license renewals.

Section 5070.6 of the Business and Professions Code currently reads, "If the permit is renewed after its expiration, its holder, as a condition precedent to renewal, shall also pay the delinquency fee prescribed by this chapter."

As always, the license expires at midnight of the last day of the birth month. The former 30-day grace period was confusing because it applied only to the delinquency fee, not to extending the licensee's practice rights beyond the license expiration date. Also, to renew as active, all continuing education requirements must be completed prior to the license expiration date.

If the license renewal is not postmarked on or before the license expiration date, practice rights will cease and the delinquency fee will be due. The delinquency fee is \$25 (50% of the \$50 renewal fee).

For questions regarding the 30-day grace period elimination, please contact Board staff member Ms. Liza Walker at (916) 263-3798 or by e-mail to renewalinfo@cba.ca.gov. ★

New Renewal Dates for Partnerships

The Board recently mailed all partnership renewal notices. In reviewing your firm's renewal, you may have noticed a significant change because the Board has implemented what is termed "cyclical/biennial" renewals for partnerships. This new renewal form advises each firm of its new expiration date and the prorated fee due, and the packet contains an enclosure fully explaining the changes. With the implementation of cyclical/biennial renewals, consistency in the renewal process has been established for all license classes (individuals, corporations, and partnerships).

In the past, all partnerships renewed by December 31 of an even year; however, they will now renew according to the month and year the firm's license was originally approved. For example, if a firm was approved in an odd-numbered year, the license expires in an odd year; if approved in an even-numbered year, the license expires in an even year.

Approximately three to six weeks after the renewal has been processed by the Board, a renewal receipt reflecting the firm's new expiration date will be mailed. If you have not received your partnership renewal or have any questions, please contact Board staff members Ms. Dottie Hays at (916) 263-3944 or Mr. Lance Taber at (916) 263-3948. ★

Committee Member Appointments

The Board is pleased to announce that the following licensees were either reappointed or newly appointed to serve on the Board's committees for 1999. Appointments were announced at the Board's regularly scheduled meeting on November 20, 1998, in San Francisco, California.

Administrative Committee

Martin Laffer, CPA, Chair
Olaf Falkenhagen, CPA,
Vice Chair
Willard Altman, CPA
Curt Eakin, CPA
David R. Flamer, CPA
Richard Kaufman, CPA
Brian J. Minnihan, CPA
Jessie C. Powell, CPA
Felipe L. Quezada, CPA
Robert M. Renaud, CPA
Mathew Rodgers, CPA
Susan Shuirman, CPA
Dawn E. Struck-Rau, CPA

Qualifications Committee

Paul Koreneff, CPA, Chair
Vice Chair (to be appointed)
Carl A. Alexander, CPA
Scott D. Appel, CPA
Gary J. Bong, CPA
Edgar J. Bostick, CPA
Roger Bulosan, CPA
Kristine Caratan, CPA
Nancy J. Corrigan, CPA
David M. Graham, CPA
Thomas Hunt, CPA
Stephen L. Larson, CPA
Cheryl A. MacLellan, CPA MBA
Gail Newmark-Egan, CPA
Alice Norwood, CPA
Margaret M. Roberts, CPA
Terri Aja Webster, CPA

Report Quality Monitoring Committee

Michael D. Feinstein, CPA,
Chair
Arthur Korn, CPA, Vice Chair
Ed Beranek, CPA
Joseph C. Bunker, CPA
Marlyn C. Catalano, CPA
Charles Chazen, CPA
Richard Clark, CPA
Robert L. Eichel, CPA
Karl Gunther, CPA
Vanessa Andrews Herbert, CPA
James M. Kasem, CPA
Irving B. Kroll, CPA
Shawn Levitt, CPA
Andy Mintzer, CPA
Gary O'Krent, CPA
Federico Quinto, Jr., CPA
Joanne M. Riester, CPA
Anne V. Renna, CPA
Arnold F. Schuler, Jr., CPA
Thomas Seymour, CPA
Robert W. Williams, Jr., CPA
William L. Woodward, CPA

While the appointment process is completed for the Administrative Committee, we still have vacancies on the Qualifications Committee and the Report Quality Monitoring Committee. Please refer to the article on page 6 for information about the application process, as well as a description of the duties and responsibilities of each of these committees. ★

Mission Statement

The mission of the Board of Accountancy is to protect the public welfare by ensuring that only qualified persons are licensed and that appropriate standards of competency and practice are established and enforced.

Vision Statement

It is the vision of the Board of Accountancy to become the premier regulatory agency that operates with maximum efficiency, fosters continuous quality improvement, and provides exemplary consumer protection while recognizing the changing consumer demographics and nature of services provided by licensed professionals.

Your Service Is Requested

Serving as a Committee Member

Two of the Board's advisory committees currently have vacancies: the Qualifications Committee and the Report Quality Monitoring Committee. The Board is seeking licensees of diversified background who have both the interest and the time to serve on one of these two committees. Becoming a committee member is an opportunity to participate actively in the regulation of the accountancy profession and to bring new ideas to the Board; your participation benefits both the consumer public and the profession.

Committee appointments are for a term of one year; appointed individuals may serve a maximum of eight terms. Committee members receive a per diem of one hundred dollars for each day spent in the discharge of official duties and are reimbursed under state policies for travel and other expenses incurred in the performance of committee duties. Meetings are held in both Northern and Southern California; most appointments generally require a commitment of between six to 12 days annually.

Committee responsibilities and required time commitments are as follows for these committees:

Qualifications Committee

The Qualifications Committee assists the Board in its licensure activities by reviewing the experience of applicants for licensure and making recommendations to the Board. This responsibility includes initiating and conducting work paper reviews to confirm the experience requirement has been met.

The Qualifications Committee currently is composed of CPAs who have audit expertise and review report experience. The committee meets five times annually, generally for two days each meeting, with a total commitment of approximately ten days annually.

Report Quality Monitoring Committee

The Report Quality Monitoring Committee monitors and promotes professional competence by selectively reviewing licensees' compliance with accepted reporting and accounting

standards, thereby protecting the public interest. This committee is responsible for requesting financial reports from a random sample of licensees to evaluate the degree to which accounting and reporting standards are met, and recommending appropriate education to licensees when financial reports are below an acceptable rating. The committee meets ten to 12 times annually, generally for one day each meeting.

The Report Quality Monitoring Committee is composed of licensed professionals who:

- Have expertise in reporting standards and generally accepted accounting principles, as validated by a review of one of their reports.
- Represent the special knowledge necessary to review the variety of reports that are submitted for review.
- Represent both large and small firms to provide a broad spectrum of experience; members should equitably represent both the northern and southern part of the state.

Licensees interested in participating are encouraged to submit a letter of interest indicating the committee to which they would like to be appointed and to provide a resume or curriculum vitae including their CPA or PA license number. To determine if a conflict of interest exists, it is important that applicants include an outline of duties and responsibilities to any society or organization of which the licensee is a member.

Applications and resumes are requested no later than March 1, 1999.

Please send your letter of intent and accompanying information to:

Carol Sigmann, Executive Officer
Board of Accountancy
2000 Evergreen Street, Suite 250
Sacramento, CA 95815-3832

Applicants with questions about committee responsibilities, committee member qualifications, or the appointment process may telephone Ms. Theresa Siepert of the Board's staff at (916) 263-3979. ★

Changes to the Accountancy Act

Communicating changes to the Accountancy Act and the Accountancy Regulations is one of the primary purposes of this publication. In 1998, several new laws were passed by the Legislature and signed into law. Effective January 1, 1999, the provisions of these bills became effective. This article provides a summary of the changes to the Accountancy Act.

Many licensees are already familiar with Senate Bill 1289, Senator Calderon's bill which permits licensees to accept commissions in certain circumstances. **UPDATE** No. 39 (July–September 1998) provided the full text of the new law (Business and Professions Code, Section 5061). In addition, proposed regulations specifying disclosure requirements have been provided to licensees, and they were adopted by the Board at its November 20, 1998, meeting.

Licensees may not be aware that other legislation (Senate Bill 2771, Chapter 872, Statutes of 1998) also will affect both them and future applicants for the CPA license. Before AB 2771 was enacted, the Board could not treat a foreign baccalaureate degree as equivalent to a U.S. degree when determining an applicant's experience requirement, even if the degree was considered equivalent by an approved credential evaluation service. The legislation corrected this inequity, and now a foreign-educated individual with a degree equivalent to a U.S. baccalaureate degree will meet the two-year experience requirement. In addition, AB 2771 revised the Accountancy Act to permit qualified foreign applicants to take the International Uniform Certified Public Accountant Qualification Examination (IQEX) in lieu of the Uniform CPA Examination.

This bill also corrected an inconsistency related to the number of units in accounting and business subjects required of applicants with baccalaureate degrees. Confusion was caused by one section of the Accountancy Act requiring 45 units in accounting and business subjects, while another section required only 30 units. A survey of educational institutions conducted by the Board showed that most colleges and universities require 45 or more units for graduation. Based on this finding, AB 2771 resolved the inconsistency so that, effective January 1, 1999, both sections in the Accountancy Act will require 45 units.

Other legislation of importance to licensees was Senate Bill 2239, an "omnibus bill" containing provisions sponsored by several licensing boards, including the Board of Accountancy. This bill updated and consolidated the Board's laws on firm registration and name styles to eliminate outdated restrictions and provide more consistent requirements for all types of firms. This Board will be revising its regulations to be consistent with these statute changes, and the regulation notice will be published in a future issue of **UPDATE**.

Senate Bill 2239 also eliminated the 30-day grace period which had permitted license renewals up to 30 days after the expiration date without a delinquency fee. There was concern because some licensees misinterpreted renewal requirements; they believed they could complete continuing education and continue to practice with expired licenses during the grace period. Effective January 1, 1999, to avoid a delinquency fee of \$25, renewals must be postmarked on or before the license expiration date.

In addition, SB 2239 repealed the Board's former law related to retired status and the retired seal, replacing it with provisions that are likely to be less confusing to licensees and consumers. Under the new provisions, retired seals will no longer be issued. However, retired CPAs and PAs will be allowed to display their certificates and use the CPA or PA designation for non-business purposes. More information about the changes in retired status will be published in a future issue of **UPDATE**.

Another new piece of legislation (Senate Bill 2238) requires that licensees notify their clients that they are licensed by the state. The Board will be adopting regulations to implement this requirement, and the regulation notice will appear in a future issue of **UPDATE**.

The entire text of the Accountancy Act is available on the Board's Web site at www.dca.ca.gov/cba. As soon as the Office of Administrative Law (OAL) publishes the Accountancy Regulations on-line, the Board's Web page will provide a link to OAL's site. It is anticipated that the regulations will be available early in 1999. ★

Future Board Meetings

January 25-26, 1999

Claremont Inn
555 W. Foothill Blvd.
Claremont, California 91711

March 19-20, 1999

Wyndham Garden Hotel
5990 Green Valley Circle
Culver City, California 90230

May 13-14, 1999

Radisson Miyako Hotel
1625 Post Street
San Francisco, California 94115

July 15-16, 1999

U. S. Grant
326 Broadway
San Diego, California 92101

September 16-17, 1999

Continental Plaza – LAX
9750 Airport Boulevard
Los Angeles, California 90045

November 18-19, 1999

Radisson Miyako Hotel
1625 Post Street
San Francisco, California 94115

Board meetings are open to the public. Licensees are encouraged to attend. For further information, please call the Board office at (916) 263-3680.

Future Committee Meetings

Administrative Committee

April 22, 1999

Radisson Miyako Hotel
1625 Post Street
San Francisco, California 94115

June 24, 1999

Courtyard Marriott
500 East First Street
Long Beach, California 90802

August 26, 1999

Radisson Miyako Hotel
1625 Post Street
San Francisco, California 94115

November 3-4, 1999

Radisson Hotel Harbor View
1646 Front Street
San Diego, California 92101

Report Quality Monitoring Committee

January 19, 1999

Burbank Airport Hilton Hotel
2500 Hollywood Way
Burbank, California 91505

Qualifications Committee

April 28-29, 1999

Wyndham Garden Hotel
5990 Green Valley Circle
Culver City, California 90230

June 23-24, 1999

Radisson Miyako Hotel
1625 Post Street
San Francisco, California 94115

August 25-26, 1999

(to be announced)

October 20-21, 1999

Hanalai Hotel San Diego
2270 Hotel Circle North
San Diego, California 92108

January 12-13, 2000

Radisson Miyako Hotel
1625 Post Street
San Francisco, California 94115

Meeting your PC&E Course Requirement

Since January 1, 1998, Professional Conduct and Ethics (PC&E) continuing education has been required for all practitioner license renewals. This course, which is a minimum of eight hours, provides information on the provisions of the current Accountancy Act, the Board of Accountancy regulations, and other rules of professional conduct.

The meeting of the PC&E requirement is being phased in over a six-year period. According to the timetable, one-third of the licensee population will meet the requirement in a specified two-year period — according to the last two digits of the CPA/PA license number. Currently, practitioners

whose license numbers end in the “01-33” range are required to have completed the initial PC&E course by their license renewal date in 1998 or 1999. The next licensee group’s license number ends in the “34-66” range, and they must meet the PC&E requirement by license renewal date in 2000 or 2001, as applicable. The third licensee group’s license number ends in the “67-00” range, and they must meet the PC&E requirement by license renewal date in 2002 or 2003, as applicable.

Please remember only Board-approved courses satisfy the requirement. Both classroom and self-study formats have been approved.

Board-Approved PC&E Course List (Call Sponsors for Course Schedules)

Course Title	Sponsor	For Information	
Live Presentation Courses:			
1) Professional Ethics Review 2) Ethics, GAAP & Financial Reporting	California CPA Education Foundation	Phone/Fax	(800) 922-5272
Ethics for CPAs	Financial Education Resources		(310) 202-1669
Professional Conduct & Ethics	CSU, Los Angeles	Peggy Neiman	(323) 343-4921
Professional Conduct & Ethics for Accountants	UCSD Extended Studies	Charlene Boyl	(619) 534-3434
Guidebook to California Accountancy Law: Practicing Within the Rules	Super CPA Alliance Educational Foundation	Fax	(888) 747-4CPA (310) 559-5992
Professional Ethics	Gear Up, Inc.		(800) 231-1860
Ethics & Professional Conduct for California CPAs	Professional Education Services	Fax	(800) 990-2731 (916) 791-4099
Professional Conduct & Ethics: Beyond Sex, Lies & Videotape	Art Berkowitz Seminars (Spidell Publishing, Inc.)	Fax	(800) 995-8610 (949) 360-4018
Conduct and Ethics Requirements for Government A&A Professionals	Charles W. Hester, CPA		(503) 375-3915
Self-Study Courses:			
1) Professional Ethics Review 2) Ethics, GAAP & Financial Reporting 3) Professional Ethics for CPAs (1998)	California CPA Education Foundation	Phone/Fax	(800) 922-5272
Ethics & Professional Conduct for California CPAs	Professional Education Services	Fax	(800) 990-2731 (916) 791-4099
Professional Ethics	Gear Up, Inc.		(800) 231-1860

A current list of Board-approved courses is also available on the Board’s Web site at www.dca.ca.gov/cba. As courses are approved, they are added to the Web site list.

MONITORING YOUR PRACTICE is Essential to Quality

By Charles Chazen

Past Chair, Report Quality Monitoring Committee

The following fictional scenario is presented for illustrative purposes:

A California licensed accountant, accused of issuing grossly misleading financial statements, is sitting in court on the witness stand, being questioned by the plaintiff's attorney.

Attorney: "Are you familiar with the professional requirements concerning quality control for a public accounting firm?"

Licensee: "Yes, I am."

Attorney: "How large is your firm?"

Licensee: "I have one full-time and one part-time bookkeeper and a receptionist-secretary."

Attorney: "Is either of these a licensed accountant?"

Licensee: "No."

Attorney: "Then who reviews the financial reports that you prepare and issue?"

Licensee: "No one on my staff is qualified to review financial reports."

Attorney: "Do you use a checklist when you prepare financial statements to assure conformity with the standards for the type of engagement involved?"

Licensee: "No."

Attorney: "Do you do a cold review before issuing a statement you have prepared, like letting it sit on your desk for a day or so and then reviewing it as objectively as you can?"

Licensee: "Usually there's not enough time. The statements are often late as it is."

Attorney: "Then no one inside or outside of your office does a pre- or post-issuance review of financial reports you prepare?"

Licensee: "That's correct."

Attorney: "Then how do you implement the monitoring requirements for small public accounting firms provided for in paragraphs 10 and 11 of the Statement on Quality Control Standards No. 3?"

Licensee: "(Silence)"

Small firm proprietors with no staff or with a limited number of management-level individuals should ask themselves that very question. Such proprietors are not excused from meeting at least minimum quality control standards. While the extent of review appropriate in any given engagement may be judgmental, completely unreviewed performance of audits or accounting and review services is inconsistent with acceptable quality control. Professional standards include Statements on Quality Control Standards that apply to every CPA firm that has an accounting or auditing practice. In meeting these standards, it is reasonable to expect greater vulnerability to quality breakdown in smaller firms, especially those of sole practitioners, unless sufficient effort is expended to overcome the problem of size limitations.

Analysis of recent results developed by the Report Quality Monitoring Committee in its review of financial reports under the Section 89.1 Program indicates that generally, the smaller the firm, the higher the number of "fail" evaluations. For this purpose "fail" is defined as evaluations of marginal or substandard. It is not unrealistic to attribute this result, to a large extent, to a failure to subject the final report to some sort of review process.

The absence of the review element of quality control is a serious problem for a public accounting firm. It is difficult to defend an engagement that has not met at least minimum standards in the circumstances. However, this problem faced by small firms is not insurmountable. Consider the following recommendations:

- ◆ A well-developed checklist suitable for the engagement can help document that the relevant standards were met. Such checklists are available from professional organizations and are also included in professional publications. This can be supplemented by taking a fresh look at the procedures

(Please see Monitoring Your Practice, continued on page 11)

performed either before or after issuing the report that led up to the statements and by reviewing the statements themselves.

- ◆ A practitioner who has no in-house independent review capabilities might enter into a reciprocal arrangement with another sole practitioner with similar limitations whereby review, consultation, and other services may be exchanged. Of course, a suitable level of quality should be the goal. If either practitioner is concerned about exposure of client names, reports may be sanitized (the client's name removed), or satisfactory contractual arrangements may be made to protect against undesirable client name exposure.
- ◆ A sole practitioner or a practitioner who has limited management-level staff may arrange with another practitioner, firm, or other professional group to review the attest engagement on a fee basis. A retired licensee who is looking for part-time work or who wants to "keep his or her hand in" would be an ideal source.
- ◆ Joining professional accounting societies could also be helpful to a practitioner with a small firm. Not only does this provide a resource for someone whose own resources are limited, but it also presents the opportunity to meet other licensees with similar practice limitations and to discuss mutual problems and mutual solutions.

Regardless of firm size, licensees must meet certain minimum quality control standards, and failure to meet them can result in exposure to needless risks. ★

Staff Contributors to this Edition of **UPDATE**

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Policy of Nondiscrimination on the Basis of *Disability and Equal Employment Opportunity*

The California Board of Accountancy does not discriminate on the basis of disability in employment or in the admission and access to its programs and activities.

An Americans with Disabilities Act (ADA) Coordinator has been designated to coordinate and carry out this agency's compliance with the nondiscrimination requirements of Title II of the ADA. Information concerning the provisions of the ADA, and the rights provided thereunder, is available from:

ADA Coordinator
California Board of Accountancy
2000 Evergreen Street, Suite 250
Sacramento, CA 95815-3832

Info *r m a t i o n*

Each issue of **UPDATE** contains important information about the public accounting profession, including notices of proposed hearings on regulation changes, Board and committee meetings, proposed new regulatory language, and topical information about enforcement, examination, licensure, and continuing education issues. For ease of reference, we suggest that after you receive and read **UPDATE**, you place these issues in your professional library.

Regulation Notice

TITLE 16. BOARD OF ACCOUNTANCY

NOTICE IS HEREBY GIVEN that the Board of Accountancy is proposing to take the action described in the Informative Digest. Any person interested may present statements or arguments orally or in writing relevant to the action proposed at a hearing to be held at the Wyndham Garden Hotel, 5990 Green Valley Circle, Culver City, California 90230, at 11:30 a.m. on March 20, 1999. Written comments must be received by the Board of Accountancy at its office no later than 5:00 p.m. on March 19, 1999, or must be received by the Board of Accountancy at the hearing. The Board of Accountancy, upon its own motion or at the instance of any interested party, may thereafter adopt the proposals substantially as described below or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption from the person designated in this Notice as contact person and will be mailed to those persons who submit written or oral testimony related to this proposal or who have requested notification of any changes to the proposal.

Authority and Reference: Pursuant to the authority vested by Sections 5010 and 5018 of the Business and Professions Code, and to implement, interpret or make specific Sections 158, 5010, 5018, 5080, and 5134 of the Business and Professions Code and Section 11420.10 of the Government Code, the Board of Accountancy is considering changes to Division 1 of Title 16 of the California Code of Regulations as follows:

Informative Digest/Plain English Policy Statement Overview

1. Adopt Article 4 of Division 1 of Title 16 of the California Code of Regulations.

Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act, or the Federal Welfare Reform Act of 1996, requires all states to deny public benefits to non-qualified immigrants.

In August 1996, the Governor issued Executive Order W-135-96 which directed state agencies, departments, boards, and commissions to implement, as expeditiously as reasonably practicable, and in accordance with all relevant legal requirements, those provisions of federal law that deny eligibility for federal and state public benefits to unqualified immigrants (subject to the exemptions contained in the Act). Public benefits have been defined to include professional licenses.

In compliance with the federal law, and pursuant to the Governor's Executive Order, these regulations would establish procedures for verifying, through self-certification, the immigration status of persons applying for individual licensure.

2. Adopt Section 98.1 of Division 1 of Title 16 of the California Code of Regulations.

Business and Professions Code Section 5010 authorizes the Board of Accountancy to adopt regulations for the orderly conduct of its affairs

and the administration of the Accountancy Act. Business and Professions Code Section 5018 authorizes the Board to adopt regulations appropriate to maintaining a high standard of integrity and dignity in the profession. Government Code Section 11420.10 permits the use of mediation as an alternative to formal hearings.

The Board of Accountancy has embraced alternative dispute resolution as one means of resolving enforcement cases and has determined that mediation is an effective tool in the enforcement process. The Board has developed mediation guidelines, and the objective of this proposal is to incorporate the mediation guidelines by reference.

Fiscal Impact Estimates

- Fiscal Impact on Public Agencies Including Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State: None
- Nondiscretionary Costs/Savings to Local Agencies: None
- Local Mandate: None
- Cost to Any Local Agency or School District for Which Government Code Section 17561 Requires Reimbursement: None
- Business Impact: The Board of Accountancy has determined that the proposed regulatory

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action would have no significant adverse economic impact on California business enterprises and individuals, including the ability of California businesses to compete with businesses in other states.

- Impact on Jobs/New Businesses: The Board of Accountancy has determined that this regulatory proposal will not have a significant impact on the creation of jobs or businesses or the elimination of jobs or existing businesses or the expansion of businesses in the state of California.
- Cost Impact on Private Persons or Entities: None
- Housing Costs: None

Plain English Requirement

The Board of Accountancy has determined that the proposed regulations would affect small businesses.

The express terms of the proposed action written in plain English are available from the agency contact person named in this Notice.

Consideration of Alternatives

The Board of Accountancy must determine that no alternative which it considered would either be more effective than or as effective as and less burdensome on affected private persons than the proposal described in this Notice.

Any interested person may present statements or arguments orally or in writing relevant to the above determinations at the above-mentioned hearing.

Statement of Reasons and Information

The Board of Accountancy has prepared a statement of reasons for the proposed action and has available all the information upon which the proposal is based.

Text of Proposal

Copies of the exact language of the proposed regulations and of the statement of reasons and other information, if any, may be obtained at the hearing or prior to the hearing upon request from the Regulations Coordinator, Board of Accountancy, 2000 Evergreen Street, Suite 250, Sacramento, CA 95815-3532.

Contact Person

Inquiries concerning the proposed administrative action may be addressed to Ms. Aronna Granick, Regulations Coordinator, at the above address or at (916) 263-3788.

Text of Proposal

Adopt regulations in Division 1 of Title 16 of the California Code of Regulations as follows:

Article 4. Applicant Verification Pursuant to the PRWORA.

Section 25. Nondiscrimination Clause.

All eligibility requirements contained herein shall be applied without regard to the race, creed, color, gender, religion, disability, or national origin of the individual applying for an original license issued by the Board of Accountancy.

NOTE: Authority: Business and Professions Code Sections 5010 and 5018. Reference: Business and Professions Code Sections 5010, 5018, and 5080.

Section 26. Applicant Compliance with PRWORA.

(a) Any individual who files an application for an original Certified Public Accountant license issued by the Board of Accountancy on or after the effective date of these regulations shall establish eligibility for a "public benefit" under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), Public Law 104-193, as amended by Section 504 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA), Public Law 104-208, and by Section 5572 of the Balanced Budget Act of 1997, Public Law 105-33.

(b) To establish eligibility for a "public benefit," an applicant shall be a national of the United States (includes citizens), a qualified alien, a nonimmigrant under the Immigration and Nationality Act, 8 U.S.C. 1101 et seq., or an alien paroled into the United States for less than 1 year.

(c) "Public benefit" shall not include the Certified Public Accountant license referenced in subsection (a) if the applicant is:

(Please see Regulation Notice, continued on page 14)

(1) a nonimmigrant whose visa for entry is related to such employment in the United States, or a citizen of a freely associated state, if Section 141 of the applicable compact of free association approved in Public Law 99-239 (48 U.S.C. Section 1901 note) or 99-658 (48 U.S.C. Section 1931 note) (or a successor provision) is in effect; or

(2) a work authorized nonimmigrant or an alien lawfully admitted for permanent residence under the Immigration and Nationality Act (8 U.S.C. Section 1101 et seq.) who qualified for such benefits and for whom the United States under reciprocal treaty agreements is required to pay benefits, as determined by the Secretary of State, after consultation with the United States Attorney General; or

(3) a foreign national not physically present in the United States.

NOTE: Authority: Business and Professions Code Sections 5010 and 5018. Reference: Business and Professions Code Sections 5010, 5018, and 5080.

Section 27. Requirements for Licensure for Certain Aliens.

(a) Pursuant to 8 U.S.C. Section 1621, an alien who is not a qualified alien, nonimmigrant alien under the Immigration and Nationality Act (INA) (8 U.S.C. § 1101 et seq.), or an alien paroled into the United States under Section 212(d)(5) of the INA (8 U.S.C. § 1182(d)(5)) for less than one year, is not eligible to receive a Certified Public Accountant license.

(b) A qualified alien is an alien who, at the time he or she applies for, obtains, or attempts to obtain a license, is, under Section 431(b) and (c) of the PRWORA (8 U.S.C. § 1641(b) and (c)), any of the following:

(1) An alien who is lawfully admitted for permanent residence under the INA (8 U.S.C. § 1101 et seq.).

(2) An alien who is granted asylum under Section 208 of the INA (8 U.S.C. § 1158).

(3) A refugee who is admitted to the United States under Section 207 of the INA (8 U.S.C. § 1157).

(4) An alien who is paroled into the United States under Section 212(d)(5) of the INA (8 U.S.C. § 1182(d)(5)) for a period of at least one year.

(5) An alien whose deportation is being withheld under Section 243(h) of the INA (8 U.S.C. § 1253(h)) (as in effect immediately before the effective date of Section 307 of division C of Public Law 104-208) or Section 241(b)(3) of such Act (8 U.S.C. § 1251(b)(3))

(as amended by Section 305(a) of division C of Public Law 104-208).

(6) An alien who is granted conditional entry pursuant to Section 203(a)(7) of the INA as in effect prior to April 1, 1980. (8 U.S.C. § 1153(a)(7)) (See editorial note under 8 U.S.C. § 1101, "Effective Date of 1980 Amendment.")

(7) An alien who is a Cuban or Haitian entrant (as defined in Section 501(e) of the Refugee Education Assistance Act of 1980 (8 U.S.C. § 1522 note)).

(8) An alien who meets all of the conditions of subparagraphs (A), (B), (C), and (D) below:

(A) 1. The alien has been battered or subjected to extreme cruelty in the United States by a spouse or a parent, or by a member of the spouse's or parent's family residing in the same household as the alien, and the spouse or parent of the alien consented to, or acquiesced in, such battery or cruelty, or

2. The alien has a child who has been battered or subjected to extreme cruelty in the United States by a spouse or a parent of the alien (without the active participation of the alien in the battery or cruelty), or by a member of the spouse's or parent's family residing in the same household as the alien, and the spouse or parent consented or acquiesced to such battery or cruelty. For purposes of this subsection, the term "battered or subjected to extreme cruelty" includes, but is not limited to being the victim of any act or threatened act of violence including any forceful detention, which results or threatens to result in physical or mental injury. Rape, molestation, incest (if the victim is a minor), or forced prostitution shall be considered acts of violence.

(B) In the opinion of the Board of Accountancy, there is a substantial connection between such battery or cruelty and the need for licensure. For purposes of determining whether an alien is qualified for licensure under subparagraph (b)(8) of this section, the board shall apply the definitions, standards and methods to be used to determine whether a substantial connection exists between the battery or cruelty suffered and an individual's need for a license contained in Exhibit B to Attachment 5 of the United States Department of Justice (AG Order No. 2129-97) titled "Interim Guidance on Verification of Citizenship, Qualification Alien Status and Eligibility Under Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996" dated

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Monday, November 17, 1997 (62 FR 61344, 61366-61371) and incorporated herein by reference.

(C) The alien has an approved petition or has a petition pending which sets forth a prima facie case for at least one of the following and is qualified under either subsection (A)(1) or (A)(2) above:

(1) status as a spouse or child of a United States citizen pursuant to clause (ii), (iii), or (iv) of Section 204(a)(1)(A) of the INA (8 U.S.C. §1154(a)(1)(A)(ii), (iii) or (iv)), or

(2) classification pursuant to clause (ii) or (iii) of Section 204(a)(1)(B) of the INA (8 U.S.C. § 1154(a)(1)(B)(ii) or (iii)), or

(3) suspension of deportation and adjustment of status pursuant to section 244(a)(3) of the INA (8 U.S.C. Section 1254) as in effect prior to April 1, 1997 [Pub. L. 104-208, Section 501 effective September 30, 1996 pursuant to Section 591); Pub. L. 104-208, Section 304 (effective April 1, 1997, pursuant to Section 309); Pub. L. 105-33, Section 5581 (effective pursuant to Section 5582) incorrectly codified as "cancellation of removal under Section 240A of such Act [8 U.S.C. Section 1229b] (as in effect prior to April 1, 1997)," or

(4) status as a spouse or child of a United States citizen pursuant to clause (i) of Section 204(a)(1)(A) of the INA (8 U.S.C. § 1154(a)(1)(A)(i)) or classification pursuant to clause (i) of Section 204(a)(1)(B) of the INA (8 U.S.C. § 1154(a)(1)(B)(i)), or

(5) cancellation of removal under 240(A)(b)(2) of the INA (8 U.S.C. Section 1229b(b)(2)).

(D) For the period in which licensure is sought, the individual responsible for the battery or cruelty does not reside in the same household or family eligibility unit as the individual subjected to the battery or cruelty.

(c) For purposes of this section, "nonimmigrant" has the same meaning as in Section 101(a)(15) of the INA (8 U.S.C. § 1101(a)(15)).

NOTE: Authority: Business and Professions Code Sections 5010 and 5018. Reference: Business and Professions Code Sections 5010, 5018, and 5080.

Section 28. PRWORA Verification.

(a) Every applicant shall declare and sign under penalty of perjury whether he or she is a national of the United States (includes citizens), a qualified alien, a nonimmigrant under the Immigration and Nationality Act, 8 U.S.C. 1101 et seq., an alien paroled into the United States for less than 1 year,

a nonimmigrant whose visa for entry is related to such employment in the United States, or a citizen of a freely associated state, if Section 141 of the applicable compact of free association approved in Public Law 99-239 (48 U.S.C. Section 1901 note) or 99-658 (48 U.S.C. Section 1931 note) (or a successor provision) is in effect; a work authorized nonimmigrant or an alien lawfully admitted for permanent residence under the Immigration and Nationality Act (8 U.S.C. Section 1101 et seq.) who qualified for such benefits and for whom the United States under reciprocal treaty agreements is required to pay benefits, as determined by the Secretary of State, after consultation with the United States Attorney General; or a foreign national not physically present in the United States.

(b) Any application in which the applicant fails to sign the declaration, referred to in subdivision (a), shall be deemed an incomplete application.

NOTE: Authority: Business and Professions Code Section 5010 and 5018. Reference: Business and Professions Code Sections 5010, 5018, and 5080.

Section 29. No Refund of Application Fee.

Any applicant who is determined to be ineligible pursuant to this article is not entitled to a refund of his or her application fee.

NOTE: Authority: Business and Professions Code Section 5010. Reference: Business and Professions Code Sections 158 and 5134.

Section 98.1. Mediation Guidelines

The guidelines, entitled "California Board of Accountancy Mediation Guidelines" (July 17, 1998), which are hereby incorporated by reference, constitute the Board's guidelines for determining whether an enforcement matter is appropriate for referral to mediation and for the procedures and the form of the mediation process.

Note: Authority cited: Sections 5010 and 5018, Business and Professions Code. Reference: Sections 5010 and 5018, Business and Professions Code, Section 11420.10, Government Code. ★

DISCIPLINARY ACTIONS

The disciplinary process has many steps. When a complaint is received by the Board, a thorough investigation is conducted under the auspices of the Board's Administrative Committee. Information regarding a complaint generally is gathered by staff Investigative CPAs, often accompanied by a licensee's appearance before the Administrative Committee. In some cases, information is gathered by the Department of Consumer Affairs' Division of Investigation. Following the investigation and review by the Administrative Committee, a recommendation is made either to close the case for lack of evidence, or to refer the matter to the Attorney General for review and preparation of an Accusation against the licensee.

If charges are filed against a licensee, a hearing is held before an independent administrative law judge, who submits a proposed decision to be considered by the Board of Accountancy. The Board either may accept the proposed decision or decide the matter itself. In many instances, licensees enter into a stipulated disciplinary settlement agreement with the Board, in lieu of going to hearing.

You may request a copy of the Accusation and Decision regarding any of these disciplinary actions by sending a written request to the Board office, Attention: Disciplinary Actions. You must state the licensee's name and license number. Please allow approximately three weeks for receipt.

Disciplinary Terminology

Effective Decision Date	The date the disciplinary action goes into operation.
Probation	The licensee may continue to practice under specific terms and conditions.
Revocation or Revoked	The right to practice is ended.
Stayed	The revocation or suspension is postponed.
Suspension	The licensee is prohibited from practicing for a specific period of time.
Surrender of License	The licensee turns in the license while charges are still pending. The right to practice is ended. Surrender also may require certain conditions to be met should the practitioner ever choose to reapply for licensure.

DISCIPLINARY ACTIONS 9/23/98 through 12/20/98

Revocation of CPA Certificate

Name	Cause for Board Action	Code Violation(s)
ALEXANDER, LANZ DEE Pasadena, CA (CPA 30399) Revocation of CPA Certificate, via default decision. Effective October 28, 1998	On or about March 21, 1996, a Citation was issued to Mr. Alexander. He failed to comply with the Citation; consequently, his certificate was subject to discipline for unprofessional conduct.	Business and Professions Code, Division 3, Chapter 1, § 5100(f). California Code of Regulations, Title 16, Division 1, § 95.4.
GREER, GARTH E./GARTH E. GREER, CPA, A PROFESSIONAL CORPORATION Visalia, CA (CPA 9810 and COR 2651) Revocation of CPA and COR Certificates, via default decision. Effective October 28, 1998	Mr. Greer was grossly negligent in failing to prepare a client's federal corporate income tax returns for 1994 and 1995, and upon demand failed to return the client's accounting records for 1994 and 1995. After the expiration of his permit to practice, Respondent continued to hold himself out as an active CPA, and he failed to appear before the Administrative Committee.	Business and Professions Code, Division 3, Chapter 1, §§ 5037(b), 5050, and 5100 (c) (f). California Code of Regulations, Title 16, Division 1, Chapter 1, §§ 52.1 and 68.
OZENBAUGH, JR., DONALD W./OZENBAUGH ACCOUNTANCY CORPORATION Salinas, CA (CPA 21061, COR 1310) Revocation of CPA and COR Certificate, via stipulated settlement. Should Respondents seek reissuance of the licenses, they shall reimburse the Board for investigative and prosecution costs. Effective October 30, 1998	<p>Respondent, Donald W. Ozenbaugh, Jr. admits he was convicted of a crime substantially related to the practice of public accountancy, and that he failed to report the conviction to the Board. On November 12, 1997, he was convicted by a plea of no contest on two counts of bank fraud, violating California Penal Code Sections 487(a), 532(a), and 12022.6(b) (grand theft by false pretenses/excessive taking), felonies.</p> <p>Mr. Ozenbaugh was suspended from filing applications for low-income housing credits before the Office of the State Treasurer's California Tax Credit Allocation Committee for a period of one year. This action was a result of respondent preparing and submitting applications for low-income housing credits totaling \$1,031,344. The applications were based on false rent surveys and other housing information, which respondents knew or should have known to be false.</p>	Business and Professions Code, Division 3, Chapter 1, §§ 5063 and 5100(a), (f), (g) and (i).

(Please see Other Board Actions, continued on page 18)

OTHER BOARD ACTIONS 9/23/98 through 12/20/98

Name	Cause for Board Action	Code Violation(s)
HUNNICUTT, BENJAMIN A. Woodland Hills, CA (CPA 61280) Revocation stayed, with three years' probation , via stipulated settlement. Effective October 30, 1998. Mr. Hunnicutt will complete 100 hours of community service within 30 days of the Decision's effective date, as directed by the Board; complete and pass a Board-approved course in ethics within 60 days of the Decision's effective date; reimburse the Board for investigative and prosecution costs within 30 days of the effective date of the adopted Decision. Other standard terms of probation.	Mr. Hunnicutt admits he was convicted of a crime substantially related to the practice of public accountancy and that he failed to report the conviction to the Board. From November 1995 to March 1996, Mr. Hunnicutt assisted an undercover Internal Revenue Service Agent posing as a delinquent taxpayer in failing to submit full and complete financial statements to the Internal Revenue Service. On June 9, 1997, Mr. Hunnicutt was convicted by a plea of guilty to violating 26, United States Code section 7212 (Impeding the Due Administration of Internal Revenue Service Laws), a felony.	Business and Professions Code, Division 3, Chapter 1, §§ 5063 and 5100(a).
MacCALLUM, Robert L. Culver City, CA (CPA 6097) Revocation stayed, with three years' probation , via stipulated settlement. Effective December 20, 1998 Probation terms include: at Respondent's expense, all work papers and draft reports for any audit or review engagements during the probation must be reviewed by another California licensee acceptable to the Board; completion of 24 hours of CPE, in addition to normal CPE requirements for relicensing; reimbursement of costs.	Mr. MacCallum admitted that he issued an audit and review report that did not conform to professional standards for closely held corporations for years ended December 31, 1994, and July 31, 1995, by failing to: modify his reports for such items such as omission of the Statement of Cash Flows, to consolidate a majority-owned subsidiary, and to disclose significant accounting policies and other information. Furthermore, he issued a compilation report not conforming to professional standards for closely held corporations for the year ended December 31, 1993; failed to modify his report for omission of the notes to the financial statements; and failed to indicate the degree of responsibility he was taking with respect to presentation of supplementary information.	Business and Professions Code, Division 3, Chapter 1, § 5062, and 5100(c) and (f). California Code of Regulations, Title 16, Division 1, Section 58.
PEELER, DAVID E. Mountain Center, CA (CPA 14094) Revocation Stayed, with three years' probation , via stipulated settlement. Effective October 30, 1998 Probation terms include: one year's suspension of Mr. Peeler's CPA Certificate, beginning the effective date of the Order. He shall take and pass a board-approved course in ethics within the first year of probation; he shall make quarterly written reports to the Board within 10 days of the completion of the quarter, and he shall pay investigative and prosecution costs. Other standard terms and conditions.	Mr. Peeler admits that while serving as trustee, he obtained personal advantage over a trust-fund client by loaning trust monies to his accounting firm. Mr. Peeler improperly liquidated income-producing trust assets in order to effect the loans totaling \$265,000. Additionally, he overstated the trust's interest income on forms 1099 by \$69,345 and, without the client's permission, he disclosed the grantor-client's personal income tax information in response to a civil complaint.	Business and Professions Code, Division 3, Chapter 1, § 5100(h) and (i). California Code of Regulations, Title 16, Division 1, § 54.1.

Address **Change** *Form*

Please *Print* only one character per space — maximum 30 characters per line. *A separate change of address form must be submitted for each license type.*

Individual (CPA/PA) ☐ Partnership ☐ Corporation ☐ License Number _____

Name of Licensee

or

Name of Firm

[illegible]

Address of Record

Be advised that your address of record is public information, and all Board correspondence will be sent to this address.

[illegible]

Street Apt. or Suite #

Home ☐ Business ☐
(check one)

[illegible]

Other Address

*Complete this section
only when the address of
record is a mail drop or a
Post Office Box.*

Street Apt. or Suite #

[illegible]

Home ☐ Business ☐
(check one)

Daytime Phone - -

Date of Birth

Mo. Day Year

I certify the truth and accuracy of all of these statements and representations.

Signature of Licensee,
Licensed Partner, or
Licensed Shareholder

Date _____

Print your name _____

A licensee who fails to notify the Board of Accountancy within 30 days of a change in his or her address of record may be subject to citation and fine (fines ranging from \$100–\$1,000) under the California Code of Regulations, Title 16, Division 1, Sections 3 and 95.2.

The Board maintains a list of all licensees. This list is sold to requestors for mailing list purposes. Check here **only** if you do **not** want your name included on this list. ☐

Mail to: Board of Accountancy, 2000 Evergreen Street, Suite 250, Sacramento, CA 95815-3832 or
FAX to: (916) 263-3675

UPDATE | Issue #40

Board of Accountancy Telephone Directory

Board Office	(916) 263-3680
Renewal for CPA/PA, Partnerships, Corporations	(916) 263-3798 or 263-3799
Retired Status	(916) 263-3798 or 263-3799
Continuing Education	(916) 263-3935
Government Audit	(916) 263-3934
Licensing – Partnerships, Corporations, Fictitious Names	(916) 263-3948
Licensing – Reissuance—Individual:	
Last name begins with: A-He	(916) 263-3946
Hi-N	(916) 263-3945
O-Z.....	(916) 263-3947
Certifications	(916) 263-3949
General Examination Questions	(916) 263-3953 or 263-3958
Web Site Address	www.dca.ca.gov/cba

*If you have questions concerning the Ethics Exam,
please call the California Society of CPAs:*

Main Office, Redwood City (650) 802-2600
Glendale Office (800) 922-5272
Sacramento Office (916) 441-5351

Department of Consumer Affairs
California Board of Accountancy
UPDATE Issue #40
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